GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:521
ANSWERED ON:03.05.2005
IMPORT POLICY ON FOOD ITEMS
Bishnoi Shri Jaswant Singh

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the present import-export policy on food items;

(b) whether the Indian farmers are not getting remunerative price for their produce due to excessive import of food items; and

(c) if so, the remedial measures being taken in this regard?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (c) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 521 DUE FOR ANSWER ON 3.5.2005 REGARDING IMPORT POLICY ON FOOD ITEMS.

(a) to (c): Quantitative restrictions on the import of various items including food items have been removed as a part of the process of economic liberalization and also in terms of our international commitments and obligations. The final dismantling of quantitative restrictions on 715 tariff lines were announced on 31st March, 2001. The import of certain products of animal origin are, however, restricted / prohibited for import. The import of foodgrains like wheat, rice, maize, other coarse cereals can be made only by nominated State Trading Enterprises. The import of beef is prohibited. The detailed item-wise policy for import is available in Schedule - I of the ITC (HS) Classification of Export and Import items, 2004-09.

The removal of Quantitative Restrictions does not automatically remove all the protection available to the domestic producers. India can regulate imports through adjustments in Customs Tariff within the bound rates. This mechanism has been effectively used in case of edible oil, coconut, tea, coffee, pepper, skimmed milk powder, poultry products etc. In order to ensure a level playing field to domestic producers, imports are also subject to certain domestic regulations. These non-tariff regulations include compliance with the provisions of the Food Adulteration Act, 1954, Meat Food Product Order, Packaging requirements, Sanitary and Phyto-Sanitary (SPS) measures etc.

The import of 300 sensitive items including major food items is being monitored on a regular basis by the Government for checking any surge in imports.

The item-wise export policy is available in Schedule - II of the ITC (HS) Classification of Export and Import items, 2004-09. Most of the commonly grown food items such as cereals, pulses, oil-seeds, vegetables, fruits, natural forest produce such as honey and dairy products, animal products, manufactured / prepared or processed food items are freely exportable subject to availability being certified by the concerned Ministry, wherever necessary.

The Government has taken many measures to boost export of food items by giving special incentives such as duty free entitlement under Vishesh Krishi Upaj Yojana. This will enable Indian farmers to get more remunerative prices for their products.

There is no excessive import of food items, and the Economic Survey 2004-05 does not indicate that farmers are not getting remunerative prices.